

**W. R. Grace & Co. - Conn
Bank Reconciliations
November 2001
MOR-1**

	First Union Concentration 2000000282172	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	Civic Bank Payroll 15502015736	Fleet Bank Payroll 51217666					
Balance per books	\$ 1,130,001	\$ (376,413)	\$ (4,352)	\$ 20,163	\$ 3,544					
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ 1,885,300 (755,298)	\$ - (191,535) (184,878)	\$ - (4,352)	\$ 20,163 270	\$ 3,274					
Adjusted bank balance	\$ 1,130,001	\$ (376,413)	\$ (4,352)	\$ 20,163	\$ 3,544					
Deposits in Transit	Date	Amt	Date	Amt	Date	Amt	Date	Amt	Date	Amt
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
Other				detail available						
Transfers between bank accounts Accounting error Interest not recorded on books Bank fees not recorded on books Payroll tax payments not recorded Unreconciled bank activity Unreconciled ledger activity Returned item adjustment Payroll/other activity in transit Petty cash funds Unrecorded deposit	(753,103) (2,220) 25	(5) (184,873)	(4,352)							270

		First Union Libby Medical 2079900065006	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wachovia Lockbox 1886-082535	First Union Accts payable 2079900005280
Balance per books		\$ 30,376	\$ (4,673,804)	\$ (105,148)	\$ 1,598,800	\$ (2,819,682)
Bank Balance		\$ -	\$ -	\$ -	\$ 1,218,932	\$ -
(+) Deposits in transit						
(-) Outstanding checks						
Other		30,376	(4,563,769)	(161,515)		(2,885,791)
Adjusted bank balance		\$ 30,376	\$ (110,035)	\$ 56,367	\$ 379,868	\$ 66,109
Deposits in Transit		Date	Amt	Date	Amt	Date
Outstanding Checks		Ck. #	Amount	Ck. #	Amount	Ck. #
Other						
Transfers between bank accounts						
Accounting error						
Interest not recorded on books						
Bank fees not recorded on books						
Payroll tax payments not recorded						
Unreconciled bank activity						
Unreconciled ledger activity						
Returned item adjustment						
Payroll/other activity in transit						
Petty cash funds						
Unrecorded deposit						

Chart 2

**W. R. Grace & Co. - Conn
Bank Reconciliations
November 2001
MOR-1**

W. R. Grace & Co. - Conn
Bank Reconciliations
November 2001
MOR-1

	Bank of America Payroll 0000 0002 2137	Allfirst Payroll 16298657	First Union Petty Cash 2040000015900	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172			
Balance per books	\$ 25,000	\$ 40,760	\$ 32,416	(Soles) S/. 69,520	(US\$) \$ 88,601			
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ 30,610 (337) (5,273)	\$ 187,545 (24,983) (121,803)	\$ 39,757 (7,341)	S/. 69,520	\$ 103,601 (15,000)			
Adjusted bank balance	\$ 25,000	\$ 40,760	\$ 32,416	S/. 69,520	\$ 88,601			
Deposits in Transit	Date	Amt	Date	Amt	Date			
Outstanding Checks	Ck #	Amount	Ck #	Amount	Ck #			
	40820	(337)	4434 100316 100282 4575 4592 4746 4767 4787 4790 4795 4796	(2,103) (1,655) (371) (2,918) (693) (1,823) (3,145) (2,324) (1,853) (2,324) (5,772)				2809146 (15,000)
Other								
Transfers between bank accounts Accounting error Interest not recorded on books Bank fees not recorded on books Payroll tax payments not recorded Unreconciled bank activity Unreconciled ledger activity Returned item adjustment Payroll/other activity in transit Petty cash funds Unrecorded deposit		(5,384)		(149,622)		(7,042)		
		110			8	(307)		
				27,819				

W. R. Grace & Co. - Conn Bank Reconciliations November 2001 MOR-1		Banco de Credito Time Deposit	Bank of Boston Operating Acct 0154519	Bank of Boston Operating Acct 0154424
Balance per books		(Soles)	S/. 807	(US\$) \$ 629,974
Bank Balance			S/. 4,256	\$ 629,974
(+) Deposits in transit			-S/. 3,449	
(-) Outstanding checks				
Other				
Adjusted bank balance			S/. 807	\$ 629,974
Deposits in Transit	Date		Date	Date
Outstanding Checks	CK. #		CK. #	CK. #
			516	-S/. 3,449
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				
Returned item adjustment				
Payroll/other activity in transit				
Petty cash funds				
Unrecorded deposit				

W. R. Grace & Co. Bank Reconciliations November 2001 MOR-1		
		JP Morgan Chase Pass Through 323881963
Balance per books		\$ -
Bank Balance		
(+) Deposits in transit		
(-) Outstanding checks		
Other		
Adjusted bank balance		\$ -
Deposits In Transit		Date Amt
Outstanding Checks		Ck. # Amt
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

Remedium Group, Inc. Bank Reconciliations November 2001 MOR-1		JP Morgan Chase Pass Through 323883842	JP Morgan Chase Disbursement 601831985
Balance per books		\$ (22,006)	\$ 38,958
Bank Balance (+) Deposits in transit (-) Outstanding checks Other		(22,006)	(20,598) 59,556
Adjusted bank balance		\$ (22,006)	\$ 38,958
Deposits in Transit		Date	Amount
		5/4/01	(22,006)
Outstanding Checks		Ck. #	Amount
		2514	(60)
		3005	(415)
		3010	(115)
		3217	(87)
		3346	(2,934)
		3355	(200)
		3499	(18)
		3531	(200)
		3536	(60)
		3538	(3,828)
		3540	(12,661)
Other			
Transfers between bank accounts			
Accounting error			
Interest not recorded on books			
Bank fees not recorded on books			
Payroll tax payments not recorded			
Unreconciled bank activity			
Unreconciled ledger activity			
Returned item adjustment			
Payroll activity in transit			
Petty cash funds			59,556

CC Partners Bank Reconciliations November 2001 MOR-1		First Union Deposit Acct 2199500031802
Balance per books		\$ (1,599,153)
Bank Balance (+) Deposits in transit (-) Outstanding checks Other		(1,599,153)
Adjusted bank balance		\$ (1,599,153)
Deposits in Transit		Date Amt
Outstanding Checks		Ck. # Amt
Other		
Transfers between bank accounts Accounting error Interest not recorded on books Bank fees not recorded on books Payroll tax payments not recorded Unreconciled bank activity Unreconciled ledger activity Returned item adjustment Payroll activity in transit Petty cash funds		(1,599,153)

Darex Puerto Rico, Inc. Bank Reconciliations November 2001 MOR-1																																
		Citibank Operating Acct 300153011																														
Balance per books		\$ 3,263,302																														
Bank Balance		3,230,369																														
(+) Deposits in transit		62,900																														
(-) Outstanding checks		(29,945)																														
Other		(22)																														
Adjusted bank balance		\$ 3,263,302																														
Deposits in Transit																																
<table> <thead> <tr> <th></th> <th>Date</th> <th>Amt</th> </tr> </thead> <tbody> <tr> <td></td><td>11/26/01</td><td>62,625</td></tr> <tr> <td></td><td>11/27/01</td><td>275</td></tr> </tbody> </table>				Date	Amt		11/26/01	62,625		11/27/01	275																					
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	11/26/01	62,625																														
	11/27/01	275																														
Outstanding Checks																																
<table> <tbody> <tr> <td>13767</td><td>(5,002)</td></tr> <tr> <td>15207</td><td>(1,591)</td></tr> <tr> <td>15334</td><td>(16,966)</td></tr> <tr> <td>15336</td><td>(915)</td></tr> <tr> <td>15338</td><td>(979)</td></tr> <tr> <td>15341</td><td>(19)</td></tr> <tr> <td>15342</td><td>(117)</td></tr> <tr> <td>15344</td><td>(446)</td></tr> <tr> <td>15347</td><td>(36)</td></tr> <tr> <td>15348</td><td>(26)</td></tr> <tr> <td>Payroll cks</td><td>(3,848)</td></tr> </tbody> </table>			13767	(5,002)	15207	(1,591)	15334	(16,966)	15336	(915)	15338	(979)	15341	(19)	15342	(117)	15344	(446)	15347	(36)	15348	(26)	Payroll cks	(3,848)								
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W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

December 2001

	W.R. Grace & Co. - Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.
Net sales to third parties	\$ 62,254,777	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	9,911,092	-	-	-	-	-	-	-	-
Net sales to filing entities	157,104	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	3,177,870	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(5,341,808)	3,720,473	911,592	19,173	845,233	-	2,602,915	-	-
Other income	1,261,020	-	-	-	-	-	-	-	-
	71,420,055	3,720,473	911,592	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	44,600,647	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	7,484,369	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	131,238	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	10,716,625	29,917	15,696	1,089	1,089	42,321	-	3,528	-
Research and development expenses	3,665,697	-	-	-	-	-	-	-	-
Depreciation and amortization	4,138,526	-	2,258	-	-	-	-	-	-
Interest expense	2,209,012	-	-	-	-	-	-	-	-
	72,946,114	29,917	17,954	1,089	1,089	42,321	-	3,528	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(1,526,059)	3,690,556	893,639	18,083	844,144	(42,321)	2,602,915	(3,528)	-
Chapter 11 reorganization expenses, net	(529,229)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	7,055,816	(4,022,316)	(730,540)	-	(887,114)	27,256	(2,733,029)	2,508	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net income	\$ 5,000,527	\$ (331,760)	\$ 163,099	\$ 18,083	\$ (42,970)	\$ (15,065)	\$ (130,114)	\$ (1,020)	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

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December 2001

	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewife Land Corporation	Alewife Boston, Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.	Kootenai Development Company
Net sales to third parties	\$ -	\$ 353,252	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,998,243	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(2,757,592)	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
	(759,349)	353,252	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	229,600	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	25,866	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	97,374	-	-	-	-	-	-	-	1,089
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	7,050	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
	-	359,889	-	-	-	-	-	-	-	1,089
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(759,349)	(6,638)	-	-	-	-	-	-	-	(1,089)
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	688,280	(36,634)	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net income	\$ (71,069)	\$ (43,272)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,089)

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

December 2001

	CB Biomedical, Inc.	Arnicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern oil, Resin & Fiberglass, Inc.	Guanica- Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Blt & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities										
Net sales to filing entities										
Interest and royalties from non-filing entities, net										
Interest and royalties from filing entities, net										
Other income										
Cost of goods sold to third parties										
Cost of goods sold to non-filing entities										
Cost of goods sold to filing entities										
Selling, general and administrative expenses										
Research and development expenses										
Depreciation and amortization										
Interest expense										
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities										
Chapter 11 reorganization expenses, net										
(Provision for) benefit from income taxes										
Minority interest in income of subsidiary										
Equity in net income of non-filing entities										
Net income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

December 2001

	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.	W.R. Grace Land Corporation	G.C. Management, Inc.	Water Street Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities										
Net sales to filing entities										
Interest and royalties from non-filing entities, net										
Interest and royalties from filing entities, net										
Other income										
Cost of goods sold to third parties										
Cost of goods sold to non-filing entities										
Cost of goods sold to filing entities										
Selling, general and administrative expenses										
Research and development expenses										
Depreciation and amortization										
Interest expense										
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities										
Chapter 11 reorganization expenses, net										
(Provision for) benefit from income taxes										
Minority interest in income of subsidiary										
Equity in net income of non-filing entities										
Net income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

December 2001

	Del Taco Restaurants Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities										
Net sales to filing entities										
Interest and royalties from non-filing entities, net										
Interest and royalties from filing entities, net										
Other income										
Cost of goods sold to third parties										
Cost of goods sold to non-filing entities										
Cost of goods sold to filing entities										
Selling, general and administrative expenses										
Research and development expenses										
Depreciation and amortization										
Interest expense										
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities										
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes										
Minority interest in income of subsidiary										
Equity in net income of non-filing entities										
Net income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

December 2001

	GEO Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II, Inc.	Grace H-G II, Inc.	Coalgrace II, Inc.	Gracecoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya, Incorporated
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities										
Net sales to filing entities										
Interest and royalties from non-filing entities, net										
Interest and royalties from filing entities, net										
Other income										
Cost of goods sold to third parties										
Cost of goods sold to non-filing entities										
Cost of goods sold to filing entities										
Selling, general and administrative expenses										
Research and development expenses										
Depreciation and amortization										
Interest expense										
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities										
Chapter 11 reorganization expenses, net										
(Provision for) benefit from income taxes										
Minority interest in income of subsidiary										
Equity in net income of non-filing entities										
Net income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

December 2001

	Axial Basin Ranch Company	Hayden Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,608,028
Net sales to non-filing entities	-	-	-	(157,104)	-	9,911,092
Net sales to filing entities	-	-	-	15	-	5,176,113
Interest and royalties from non-filing entities, net	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-
Other income	-	-	-	-	-	1,261,020
	-	-	-	(157,089)	-	78,956,253
Cost of goods sold to third parties	-	-	-	-	-	44,830,247
Cost of goods sold to non-filing entities	-	-	-	-	-	7,484,369
Cost of goods sold to filing entities	-	-	-	(157,104)	-	-
Selling, general and administrative expenses	-	-	-	-	-	10,908,727
Research and development expenses	-	-	-	-	-	3,665,697
Depreciation and amortization	-	-	-	-	-	4,147,834
Interest expense	-	-	-	-	-	2,209,012
	-	-	-	(157,104)	-	73,245,886
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	15	-	5,710,367
Chapter 11 reorganization expenses, net	-	-	-	-	-	(529,229)
(Provision for) benefit from income taxes	-	-	-	-	-	(635,773)
Minority interest in income of subsidiary	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	1,295,606	1,295,606
Net income	\$ -	\$ -	\$ -	\$ 15	\$ 1,295,606	\$ 5,840,971

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

December 2001

	W.R. Grace & Conn	NRG Conn	Davison	Container	Texas GC Investment	GSB
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 37,864,619	\$ -	\$ (2,169,726)	\$ 23,750	\$ -	\$ -
Notes and accounts receivable, net	65,104,976	-	58,814,581	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	447,365,453	(517,973,343)	(245,405,131)	7,620,324	700,010,000	(24,597,535)
Inventories	21,610,430	-	67,143,238	-	-	-
Deferred income taxes	12,798,214	-	5,676,515	-	-	-
Asbestos-related insurance expected to be realized within one year	9,697,793	-	-	-	-	-
Other current assets	25,347,297	-	26,488,490	-	-	-
Total Current Assets	619,788,783	(517,973,343)	(89,452,034)	7,644,074	700,010,000	(24,597,535)
Properties and equipment, net	120,795,267	-	261,030,416	-	-	-
Goodwill, net	12,035,547	-	1,841,238	-	-	-
Cash value of company owned life insurance, net of policy loans	75,633,169	-	-	-	-	-
Deferred income taxes	705,328,087	-	27,444,348	-	-	-
Asbestos-related insurance expected to be realized after one year	283,728,827	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,049,254,230)	50,038,848	-	-	-	-
Investment in filing and non-filing entities	1,163,953,686	467,934,495	15,000,000	-	-	-
Other assets	297,738,001	-	26,109,620	-	-	-
Total Assets	\$ 2,229,747,137	\$ -	\$ 241,973,589	\$ 7,644,074	\$ 700,010,000	\$ (24,597,535)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	19,163,403	-	13,555,789	\$ (25,045)	-	-
Income taxes payable	268	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	0	-	-	-	-	-
Other current liabilities	46,033,771	-	21,707,614	-	-	-
Total Current Liabilities	65,197,443	-	35,263,403	(25,045)	-	-
Long-term debt - DIP facility	1,104,866	-	-	-	-	-
Deferred income taxes	191,291,388	-	29,524,652	-	-	-
Asbestos-related liability expected to be disbursed after one year	(0)	-	-	-	-	-
Other liabilities	226,021,989	-	1,947,874	-	-	-
Total Liabilities Not Subject to Compromise	483,615,685	-	66,735,929	(25,045)	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	524,516,965	-	-	-	-	-
Accounts payable	18,307,275	-	12,637,542	-	-	-
Income taxes payable	153,785,829	-	20,818,954	-	-	-
Asbestos-related liability	996,304,862	-	-	-	-	-
Other liabilities	354,852,871	-	19,798,417	-	-	-
Total Liabilities Subject to Compromise	2,047,767,802	-	53,254,913	-	-	-
Total Liabilities	2,531,383,488	-	119,990,843	(25,045)	-	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	84,500,000	-	-	-	700,010,000	-
Paid in capital	142,269,878	-	-	-	-	-
(Accumulated deficit)/Retained earnings	(393,044,037)	-	-	-	-	(24,597,535)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	(135,997,842)	-	-	-	-	-
Cumulative Translation Adjustments	(59,364,349)	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(301,636,350)	-	121,982,746	7,669,119	700,010,000	(24,597,535)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,229,747,137	\$ -	\$ 241,973,589	\$ 7,644,074	\$ 700,010,000	\$ (24,597,535)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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December 2001

	Grace Peru	National Medical Care	GC LP Notes	GC Holding	Coal Development	Grace Cocoa Consolidated
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 682,114	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	1,777,198	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(245,280)	-	-	-	-	-
Inventories	560,727	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	2,774,760	-	90,202,081	1,411,591	319	(296,679,975)
Properties and equipment, net	-	112,681	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,509,066)	-	-	-	-	-
Investment in filing and non-filing entities	-	-	700,000,000	-	-	-
Other assets	-	-	-	-	-	139,130,000
Total Assets	\$ 1,378,375	\$ -	\$ 790,202,081	\$ 1,411,591	\$ 319	\$ (152,349,975)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	31,753	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	80,181	-	-	-	-	-
Total Current Liabilities	111,934	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	111,934	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(17,649)	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(17,649)	-	-	-	-	-
Total Liabilities	94,286	-	-	-	-	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	517,000	-	-	-	-	-
Paid in capital	-	-	707,016,000	-	-	-
(Accumulated deficit)/Retained earnings	753,068	-	83,186,081	1,411,591	319	(152,349,975)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	14,022	-	-	-	-	-
Total Shareholders' Equity (Deficit)	1,284,090	-	790,202,081	1,411,591	319	(152,349,975)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 1,378,375	\$ -	\$ 790,202,081	\$ 1,411,591	\$ 319	\$ (152,349,975)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

December 2001

	Grace Cocoa Inc.	Eliminations between Conn	Reporting Reclassess	W.R. Grace & Co. Conn	W.R. Grace & Co.	Remedium Group, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -			\$ 36,400,757	\$ -	\$ (20,948)
Notes and accounts receivable, net				125,696,755		97,361
Receivables from/(payables to) filing and non-filing entities, net	(46,762,000)		149,300,000	264,246,504	(387,997,467)	2,707,417
Inventories				89,314,395		
Deferred income taxes				18,474,729		4,460,134
Asbestos-related insurance expected to be realized within one year				9,697,793		
Other current assets				51,835,788		
Total Current Assets	(46,762,000)		149,300,000	595,666,722	(387,997,467)	7,243,963
Properties and equipment, net				381,938,365		505,608
Goodwill, net				13,876,786		
Cash value of company owned life insurance, net of policy loans				75,633,169		
Deferred income taxes				737,972,435		44,101,886
Asbestos-related insurance expected to be realized after one year				283,728,827		
Loans receivable from/(payable to) filing and non-filing entities, net				(1,000,724,447)	754,510,498	118,821,891
Investment in filing and non-filing entities				791,318,181	241,512,111	
Other assets				323,847,621		
Total Assets	\$ (46,762,000)	\$ (1,545,400,000)	\$ -	\$ 2,203,257,657	\$ 608,025,141	\$ 170,673,348
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -			\$ 0	\$ -	\$ -
Accounts payable				32,725,901		93,592
Income taxes payable				268		
Asbestos-related liability expected to be disbursed within one year				0		
Other current liabilities				67,821,566		37,662
Total Current Liabilities				100,547,735		131,254
Long-term debt - DIP facility				1,104,866		
Deferred income taxes				220,816,040		
Asbestos-related liability expected to be disbursed after one year				(0)		
Other liabilities				227,969,863	0	0
Total Liabilities Not Subject to Compromise				550,438,504	0	131,254
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest				524,516,965		
Accounts payable				30,944,817		645,021
Income taxes payable				174,587,135	15,919,540	873,647
Asbestos-related liability				996,304,862		
Other liabilities				374,651,288	188,091	138,748,628
Total Liabilities Subject to Compromise				2,101,005,067	16,107,631	140,267,296
Total Liabilities				2,651,443,571	16,107,631	140,398,550
Shareholders' Equity (Deficit)						
Preferred Stock						
Common Stock	5,242,000	(705,800,000)		84,469,000	768,991	12,223
Paid in capital	132,654,000	(839,600,000)		142,339,878	429,347,464	9,724,449
(Accumulated deficit)/Retained earnings	(185,450,359)			(480,438,981)	298,227,657	20,538,126
Treasury stock, at cost					(136,426,701)	
Consolidation of Investments				(135,997,842)		
Cumulative Translation Adjustments	792,359			(58,557,968)		
Deferred compensation trust					100	
Total Shareholders' Equity (Deficit)	(46,762,000)	\$ (1,545,400,000)	\$ -	(448,185,914)	591,917,510	30,274,798
Total Liabilities and Shareholders' Equity (Deficit)	\$ (46,762,000)	\$ (1,545,400,000)	\$ -	\$ 2,203,257,657	\$ 608,025,141	\$ 170,673,348

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.